

CHAPTER 23.

[S. B. 79.]

EXCISE TAX ON SALE OF BUTTER SUBSTITUTES.

AN ACT relating to revenue and taxation, requiring distributors as therein defined to pay an excise tax on the sale of all butter substitutes, providing for licensing dealers therein, fixing a penalty for a violation of the provisions of the act, and declaring that this act shall take effect immediately.

Be it enacted by the Legislature of the State of Washington:

SECTION 1. (a) The term "butter substitute" Terms defined, whenever used in this act shall be held and construed to mean and include any compound or compounds of animal or vegetable fats, such as tallow, beef fat, suet, lard, lard oil, suine, lardine, intestinal fat, offal fat, cocoanut oil, olive oil, cottonseed oil, peanut oil, in combination with milk, butter or any product of milk or butter, either colored or uncolored, that does not contain eighty per cent (80%) of milk or butter fat, and is sold or used as a substitute for butter. "butter substitute."

(b) The term "distributor" "Distributor." whenever used in this act shall be held and construed to mean and include any person, firm or corporation which produces, refines, manufactures or compounds and thereafter sells such butter substitute in the State of Washington for use and sale in this state, or who imports and sells such butter substitute into this state, except as hereinafter provided.

SEC. 2. That in addition to the taxes now provided for by law each and every distributor, as defined in this act, who is now engaged or who may hereafter engage in his own name, or in the name of others, or in the name of representatives or agents in this state, in the sale of butter substitutes as herein defined, shall not later than the fifteenth day of each calendar month render a sworn statement to the director of agriculture of the State of Washing- Additional tax 15c lb.

ton of all such butter substitute sold by him or them in the State of Washington during the preceding calendar month, and pay an excise tax of fifteen cents per pound on all butter substitutes so sold as shown by such statement in the manner and within the time hereinafter provided.

Distributors
to file
certificate.

SEC. 3. All distributors of such butter substitutes in the State of Washington shall file a duly acknowledged certificate with the director of agriculture on forms prescribed, prepared and furnished by him, which shall contain the name under which such distributor is transacting business within the State of Washington; such certificate shall state the place or places of business and location of distributing stations of the distributor in the State of Washington, the name and address of the manufacturing agent, the names and addresses of the several persons constituting the firm or partnership, and if a corporation the corporate name under which it is authorized to transact business, and the names and addresses of its principal officers, resident general manager and attorney-in-fact. If such distributor is an association of persons, firm, partnership or corporation organized under the laws of another state, territory or nation, if it has not already done so, it must first comply with the laws of the State of Washington relating to the transaction of its appropriate business therein. No distributor, as herein defined, shall, after the law goes into effect, sell any butter substitute until such certificate is furnished, as required by this act.

Statement
of sales.

SEC. 4. Every distributor of such butter substitute shall render to the director of agriculture of the State of Washington, on or before the fifteenth day of each month, on form prescribed, prepared and furnished by said director, a sworn statement of the number of pounds of butter substitute sold by it, him or them during the preceding calendar

month, which statement shall be sworn to by one of the principal officers in case of a domestic corporation, or by the resident general manager or attorney-in-fact in case of a foreign corporation, or by the managing agent or owner in case of a firm or association, and shall contain a statement of the quantities in pounds of butter substitute sold. Bills shall be rendered to dealers in butter substitutes as herein defined. Said bills shall contain a statement printed thereon in a conspicuous place that the distributor of such butter substitute has assumed the liability to the state for the license tax therein imposed and that he, it, or they will pay said license tax on or before the fifteenth day of the following month.

SEC. 5. Said excise tax shall be paid on or before the fifteenth day of each month to the director of agriculture of the State of Washington, who shall receipt the distributor therefor and place the same in the state treasury to the credit of the general fund of the State of Washington.

Payment
of tax.

SEC. 6. Every distributor of such butter substitute shall keep a record of such forms as may be prescribed by the director of agriculture of all purchases, receipts, sales and distributions of such butter substitutes, and such record shall at all times during the business hours of the day be subject to inspection and examination by the director of agriculture, or his deputies, or such other officers as may be provided by law.

Distributor
records
required.

SEC. 7. All butter substitutes sold in containers, packages, or cases shall bear a sticker tag showing the date of invoice upon which the same was delivered, the name of the distributor of such butter substitutes, and shall contain in a statement that the liability for the license tax thereon has been assumed by such distributor.

Sticker tag
on container.

SEC. 8. It shall be unlawful for any person, firm or corporation dealing in butter substitute to receive

Unlawful
to accept
delivery.

or accept any delivery or shipment of butter substitute from any distributor or to pay for the same, or to sell or offer the same for sale, unless the statement provided for in section seven (7) appears upon the container and upon all invoices for such butter substitute. If any shipment of butter substitute is received by any person, firm or corporation from any distributor, or is sold or offered for sale by him or them, upon which the requirements of sections 4 and 7 of this act are not complied with, such person, firm or corporation shall be deemed guilty of a misdemeanor: *Provided*, That the provisions of this section shall not apply to the receipt or sale of butter substitutes which are exempt from state tax under the constitution and laws of the United States.

Misde-
meanor.

SEC. 9. The director of agriculture shall have the power and it shall be his duty from time to time, to adopt, publish and enforce rules and regulations not inconsistent herewith for the purpose of carrying out the provisions of this act.

Rules and
regulations
by director
of agricul-
ture.

SEC. 10. Said excise tax shall not be imposed on butter substitutes when sold for exportation from the State of Washington to any other state, territory or nation: *Provided, however*, The distributor or exporting agent shall make a statement each month to the director of agriculture showing the amount of butter substitute exported.

Exports
not taxed.

SEC. 11. If any person shall receive such butter substitutes in such form and under such circumstances as shall preclude the collection of this tax from the distributor by reason of the provisions of the constitution and laws of the United States, and shall thereafter sell such butter substitute in such manner and under such circumstances as may subject such sale to the taxing power of the state, such person shall be considered a distributor and shall make the same reports, pay the same taxes and be

If not al-
ready taxed,
sale requires
tax.

subject to all the other provisions of this act relating to distributors of butter substitutes.

SEC. 12. Any distributor, association of persons, firm or corporation violating any of the provisions of this act shall be guilty of a gross misdemeanor. Penalties.

SEC. 13. Nothing in this act contained shall be construed to require the payment of the excise tax herein provided for, or the doing of any acts which would constitute an unlawful burden upon the sale or distribution of butter substitutes as herein defined, in violation of the constitution or laws of the United States. Tax not required in violation of U. S. constitution and laws.

SEC. 14. If any section, subdivision, sentence or clause of this act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portion of the act. Invalidity of part not to affect balance.

SEC. 15. Whereas the revenues of the state are insufficient to support the state government and its existing public institutions as at present organized and this act will furnish additional and necessary revenues now required by this state, and will aid in the immediate preservation of the public peace, health and safety, therefore this act is necessary for the immediate preservation of the public peace, health and safety, support of the state government and its existing public institutions and shall take effect immediately. Emergency declared and act effective immediately.

Passed the Senate February 27, 1931.

Passed the House February 26, 1931.

Approved by the Governor March 9, 1931.